

SHASTA COUNTY ECONOMIC FORECAST

Shasta County is one of the northernmost counties in California. The largest city is Redding, which has approximately 90,200 residents. The recreation industry is the principal source of economic activity in the county, with Shasta Lake and Lassen Peak being the main visitor attractions.

Shasta County has a population of 178,200 people and a total of 66,200 wage and salary jobs. The per capita income in Shasta County is \$43,079 and the average salary per worker is \$50,064.

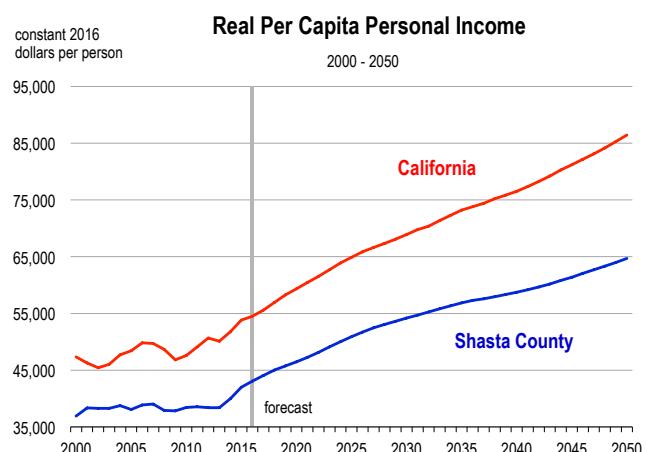
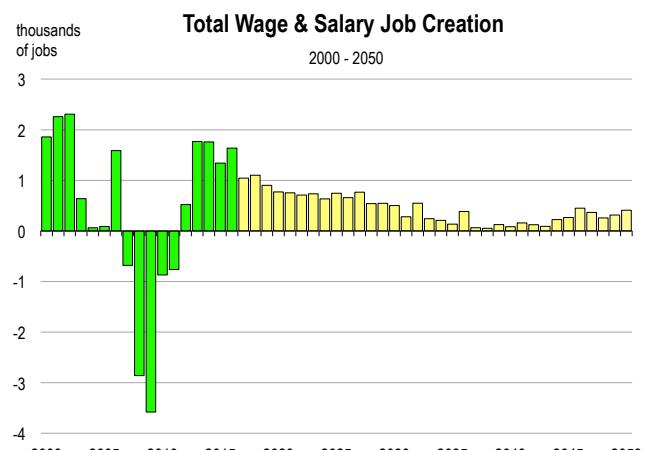
In 2016, a total of 1,600 wage and salary jobs were created in Shasta County, representing an increase of 2.5 percent. The unemployment rate improved substantially, falling from 7.8 percent in 2015 to 6.9 percent in 2016.

During 2016, virtually all sectors were characterized by positive job creation. The largest gains were observed in healthcare and education (+520 jobs), professional and business services (+470 jobs), wholesale and retail trade (+190 jobs), construction (+180 jobs), and government (+170 jobs). The largest losses were in agriculture (-70 jobs).

The population in Shasta County grew slower than 0.1 percent between 2011 and 2016. The county gained an average of 155 people per year through net migration, but lost 45 residents per year through the natural decrease (deaths outnumbering births). Because of an aging population, a natural decrease is expected to persist through the year 2050, and despite positive net migration, population growth will be slow.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 1.6 percent in 2017. From 2017 to 2022, growth will average 1.2 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Shasta County, inflation-adjusted salaries are expected to rise by an average of 0.8 percent per year from 2017 to 2022.
- Between 2017 and 2022, the largest employment gains will be observed in education and healthcare, professional business services, and government. Combined, these sectors will account for 89 percent of net job creation in the county.
- Annual population growth in the 2017-2022 period will average 0.1 percent per year. The county will gain an average of 350 people per year through net migration, but will lose an average



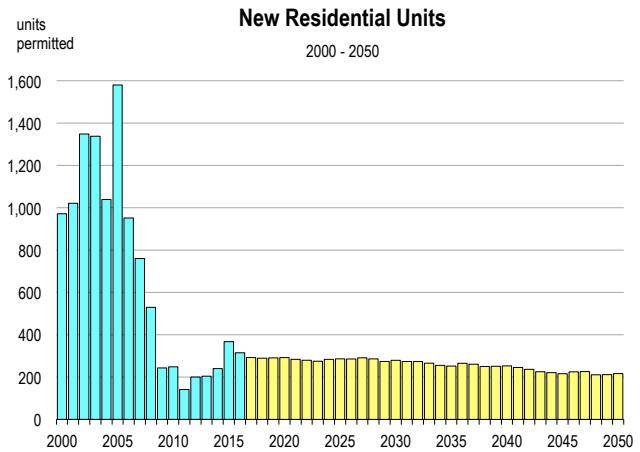
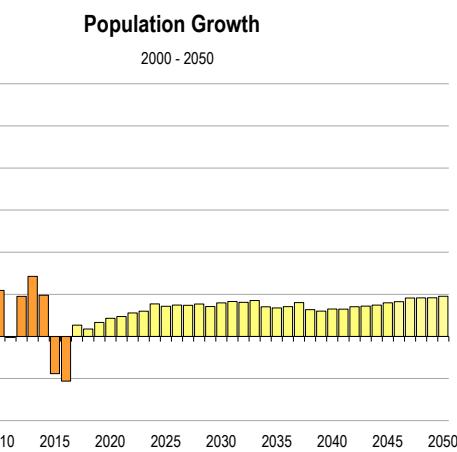
of 140 residents per year through the natural decrease (deaths outnumbering births).

- Real per capita income is projected to increase by 2.3 percent in 2017. Between 2017 and 2022, real per capita income is expected to rise by an average of 1.8 percent per year.
- Between 2017 and 2022, total taxable sales, adjusted for inflation, are expected to increase by an average of 1.4 percent per year.
- Industrial production will increase by 4.3 percent in 2017. Between 2017 and 2022, the growth rate will average 2.4 percent per year.

Shasta County Economic Forecast

2010-2016 History, 2017-2050 Forecast

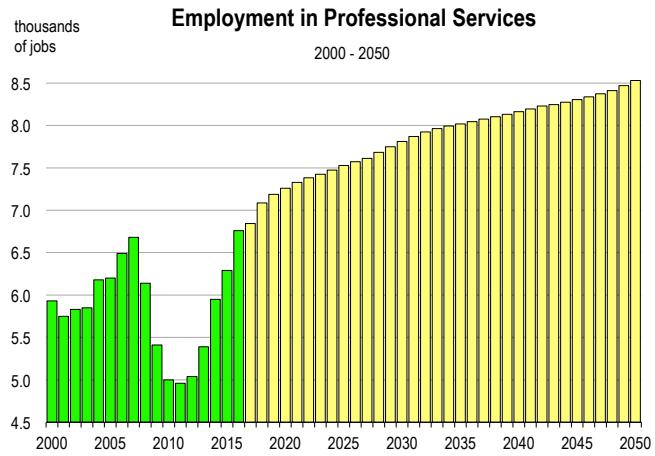
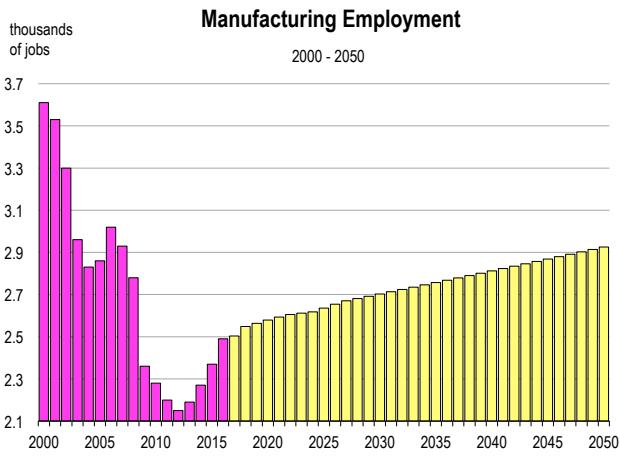
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	177,460	436	216.7	70.3	249	\$2.49	\$6.06	\$38,434	1.3	79.6	820.4	16.8
2011	177,455	-82	213.2	70.4	141	\$2.54	\$6.24	\$38,535	2.7	83.7	756.4	15.9
2012	177,962	454	207.4	70.4	200	\$2.64	\$6.37	\$38,394	2.7	82.8	758.2	14.2
2013	178,725	728	213.2	70.2	204	\$2.80	\$6.49	\$38,382	2.3	85.8	792.7	11.8
2014	179,251	505	212.3	70.2	240	\$2.82	\$6.90	\$39,976	2.8	90.9	835.3	9.6
2015	178,777	-381	215.3	70.2	368	\$2.87	\$7.34	\$41,997	2.6	82.8	875.5	7.8
2016	178,208	-534	219.0	70.4	315	\$2.95	\$7.68	\$43,079	3.0	85.0	908.4	6.9
2017	178,352	283	221.2	70.7	292	\$3.05	\$8.10	\$44,076	3.1	85.8	947.1	6.2
2018	178,446	240	223.5	71.0	289	\$3.19	\$8.51	\$45,038	3.0	86.5	976.1	5.9
2019	178,624	316	225.3	71.3	291	\$3.33	\$8.89	\$45,745	2.6	87.2	992.6	5.7
2020	178,855	368	226.9	71.6	292	\$3.46	\$9.29	\$46,451	3.1	87.9	1017.9	5.8
2021	179,109	387	228.4	71.8	284	\$3.61	\$9.73	\$47,250	3.0	88.6	1039.6	5.9
2022	179,409	448	229.8	72.1	280	\$3.75	\$10.20	\$48,139	3.0	89.2	1065.9	6.1
2023	179,732	484	231.2	72.4	275	\$3.91	\$10.70	\$49,094	3.0	89.9	1094.4	6.3
2024	180,149	589	232.4	72.6	284	\$4.08	\$11.19	\$50,015	2.9	90.4	1120.6	6.4
2025	180,536	573	233.9	72.9	286	\$4.25	\$11.68	\$50,897	2.9	91.0	1149.7	6.5
2026	180,940	596	235.1	73.2	286	\$4.41	\$12.16	\$51,696	2.8	91.6	1178.1	6.5
2027	181,341	606	236.6	73.4	291	\$4.56	\$12.64	\$52,467	2.9	92.1	1209.3	6.6
2028	181,760	635	237.6	73.7	286	\$4.73	\$13.13	\$53,042	2.7	92.6	1242.4	6.5
2029	182,148	616	238.6	74.0	274	\$4.90	\$13.61	\$53,617	2.5	93.1	1277.5	6.5
2030	182,584	675	239.5	74.2	279	\$5.08	\$14.08	\$54,175	2.4	93.5	1313.4	6.5
2031	183,038	699	240.0	74.5	274	\$5.26	\$14.56	\$54,699	2.3	94.0	1350.5	6.5
2032	183,483	695	241.0	74.8	274	\$5.47	\$15.08	\$55,267	2.5	94.4	1388.6	6.5
2033	183,953	728	241.5	75.0	266	\$5.65	\$15.56	\$55,827	2.1	94.8	1427.9	6.5
2034	184,342	654	241.8	75.3	256	\$5.84	\$16.07	\$56,337	2.3	95.2	1468.2	6.5
2035	184,716	650	242.1	75.5	252	\$6.02	\$16.60	\$56,842	2.4	95.6	1509.7	6.5
2036	185,108	679	242.8	75.7	265	\$6.21	\$17.21	\$57,310	2.8	96.0	1552.3	6.4
2037	185,555	744	242.9	76.0	261	\$6.42	\$17.81	\$57,588	2.9	96.3	1596.4	6.4
2038	185,909	659	243.0	76.2	250	\$6.61	\$18.40	\$57,947	2.7	96.7	1641.6	6.4
2039	186,245	645	243.2	76.5	251	\$6.82	\$19.06	\$58,328	2.9	97.0	1688.2	6.4
2040	186,609	673	243.3	76.7	253	\$7.04	\$19.72	\$58,729	2.8	97.3	1736.1	6.4
2041	186,972	668	243.6	77.0	245	\$7.25	\$20.39	\$59,187	2.6	97.6	1785.4	6.4
2042	187,368	691	243.9	77.2	237	\$7.46	\$21.08	\$59,668	2.5	98.0	1836.2	6.4
2043	187,773	690	244.0	77.4	225	\$7.67	\$21.77	\$60,186	2.4	98.2	1888.3	6.4
2044	188,193	694	244.4	77.6	221	\$7.87	\$22.49	\$60,816	2.2	98.5	1941.9	6.4
2045	188,643	722	244.9	77.8	216	\$8.09	\$23.26	\$61,382	2.4	98.8	1997.1	6.4
2046	189,111	736	245.7	78.0	225	\$8.31	\$24.07	\$62,062	2.3	99.1	2053.9	6.4
2047	189,629	773	246.3	78.2	226	\$8.54	\$24.89	\$62,696	2.3	99.3	2112.4	6.4
2048	190,150	765	246.8	78.5	211	\$8.77	\$25.74	\$63,327	2.3	99.6	2172.7	6.4
2049	190,674	753	247.3	78.7	212	\$9.01	\$26.63	\$63,989	2.3	99.8	2234.6	6.3
2050	191,220	763	248.0	78.9	217	\$9.26	\$27.57	\$64,694	2.3	100.1	2298.4	6.3

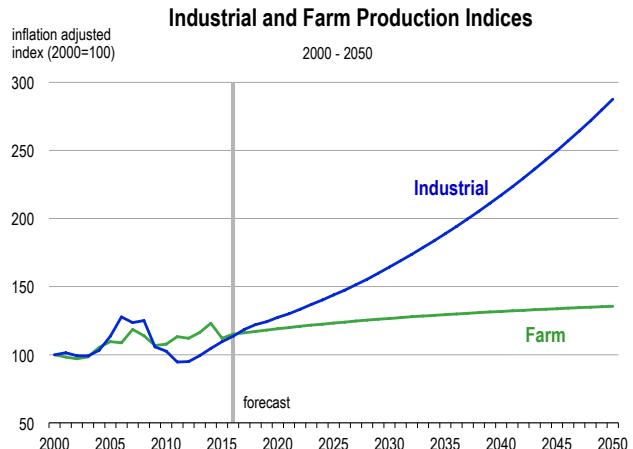
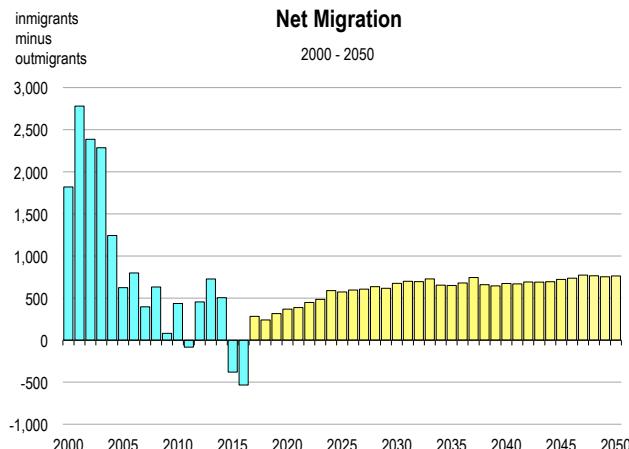
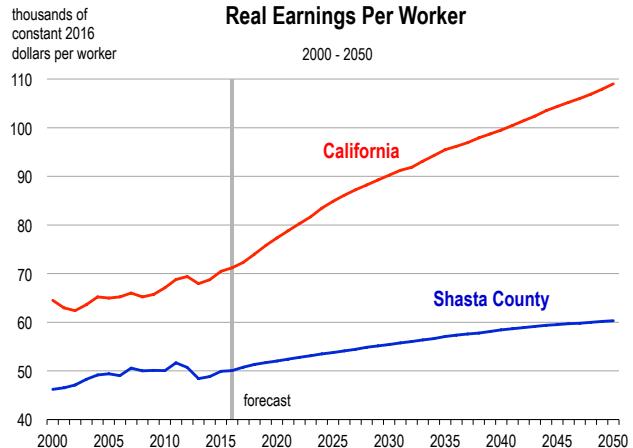
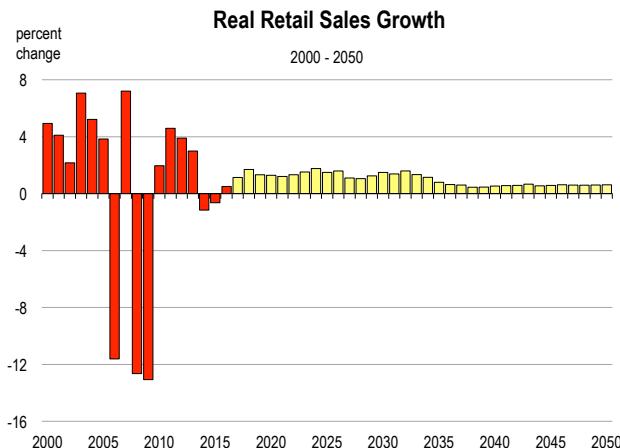


Shasta County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Natural Resources & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
employment (thousands of jobs)												
2010	59.89	0.69	2.71	2.28	1.73	10.20	2.48	5.00	0.64	12.91	6.12	12.81
2011	59.13	0.78	2.79	2.20	1.73	10.02	2.42	4.96	0.62	12.79	5.83	12.61
2012	59.65	0.80	2.70	2.15	1.70	10.06	2.42	5.04	0.60	12.88	6.29	12.48
2013	61.42	0.85	2.78	2.19	1.73	10.24	2.49	5.39	0.65	13.77	6.41	12.45
2014	63.18	0.93	2.78	2.27	1.76	10.48	2.58	5.95	0.70	14.11	6.60	12.64
2015	64.52	0.93	2.98	2.37	1.77	10.87	2.56	6.29	0.70	14.39	6.68	12.71
2016	66.16	0.86	3.16	2.49	1.77	11.06	2.58	6.76	0.70	14.91	6.66	12.88
2017	67.20	0.87	3.16	2.50	1.79	11.14	2.58	6.84	0.70	15.50	6.68	13.10
2018	68.31	0.87	3.22	2.55	1.80	11.21	2.58	7.09	0.70	16.09	6.70	13.17
2019	69.21	0.87	3.23	2.56	1.81	11.25	2.58	7.19	0.70	16.68	6.73	13.25
2020	69.98	0.88	3.20	2.58	1.82	11.27	2.58	7.26	0.70	17.27	6.77	13.32
2021	70.73	0.88	3.15	2.59	1.83	11.29	2.59	7.33	0.70	17.86	6.81	13.39
2022	71.44	0.88	3.10	2.61	1.84	11.32	2.59	7.38	0.70	18.39	6.86	13.47
2023	72.17	0.88	3.06	2.61	1.85	11.33	2.59	7.42	0.70	18.96	6.91	13.56
2024	72.81	0.89	3.01	2.62	1.86	11.36	2.59	7.47	0.70	19.41	6.94	13.67
2025	73.55	0.89	2.96	2.64	1.87	11.38	2.59	7.53	0.70	19.96	6.97	13.78
2026	74.21	0.89	2.94	2.65	1.88	11.40	2.59	7.57	0.70	20.43	6.99	13.89
2027	74.98	0.89	2.93	2.67	1.89	11.41	2.59	7.61	0.70	20.99	7.01	14.01
2028	75.52	0.89	2.94	2.68	1.90	11.43	2.60	7.68	0.70	21.31	7.03	14.09
2029	76.06	0.90	2.96	2.69	1.91	11.45	2.60	7.75	0.70	21.62	7.05	14.17
2030	76.57	0.90	2.97	2.70	1.92	11.48	2.60	7.81	0.70	21.89	7.07	14.25
2031	76.85	0.90	2.97	2.71	1.93	11.50	2.60	7.87	0.70	21.96	7.10	14.34
2032	77.39	0.90	2.96	2.72	1.94	11.53	2.60	7.92	0.70	22.31	7.12	14.42
2033	77.64	0.90	2.94	2.74	1.95	11.55	2.60	7.96	0.69	22.38	7.15	14.50
2034	77.84	0.91	2.94	2.75	1.96	11.57	2.60	7.99	0.69	22.41	7.17	14.58
2035	77.98	0.91	2.93	2.76	1.97	11.60	2.61	8.02	0.69	22.38	7.20	14.67
2036	78.36	0.91	2.95	2.77	1.98	11.62	2.61	8.04	0.69	22.56	7.23	14.75
2037	78.43	0.91	2.96	2.78	1.98	11.64	2.61	8.07	0.69	22.43	7.25	14.83
2038	78.48	0.91	2.98	2.79	1.99	11.66	2.61	8.10	0.69	22.28	7.28	14.92
2039	78.60	0.91	2.99	2.80	2.00	11.69	2.61	8.13	0.69	22.21	7.31	15.00
2040	78.69	0.91	3.00	2.81	2.01	11.71	2.61	8.16	0.69	22.09	7.33	15.09
2041	78.85	0.91	3.02	2.82	2.02	11.73	2.61	8.19	0.69	22.05	7.36	15.18
2042	78.97	0.92	3.03	2.83	2.03	11.76	2.61	8.23	0.69	21.97	7.39	15.26
2043	79.06	0.92	3.04	2.85	2.04	11.78	2.62	8.25	0.69	21.88	7.41	15.35
2044	79.29	0.92	3.05	2.86	2.04	11.80	2.62	8.27	0.69	21.91	7.44	15.44
2045	79.55	0.92	3.05	2.87	2.05	11.82	2.62	8.30	0.69	21.99	7.46	15.52
2046	80.00	0.92	3.07	2.88	2.06	11.85	2.62	8.34	0.69	22.23	7.49	15.61
2047	80.37	0.92	3.08	2.89	2.06	11.87	2.62	8.37	0.69	22.40	7.52	15.70
2048	80.62	0.92	3.08	2.90	2.07	11.89	2.62	8.41	0.69	22.45	7.54	15.79
2049	80.94	0.92	3.09	2.91	2.08	11.92	2.62	8.47	0.69	22.55	7.57	15.88
2050	81.35	0.92	3.10	2.93	2.09	11.94	2.62	8.53	0.69	22.73	7.60	15.97





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	7.0%
Expected job growth:	6.3%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	9.9%

Expected population growth:	0.6%
Net migration to account for:	100%
Expected growth in number of vehicles:	3.9%

Demographics (2017)

Unemployment rate (April 2017):	6.0%
County rank* in California (58 counties):	34th
Working age (16-64) population:	60.8%

Population with B.A. degree or higher:	19.3%
Median home selling price (2016):	\$227,500
Median household income:	\$47,571

Quality of Life

Violent crime rate (2015):	744 per 100,000 persons
County rank* in California (58 counties):	55th
Average commute time to work (2017):	21 minutes

High school drop out rate (2016):	7.9%
Households at/below poverty line (2017):	9.8%

* The county ranked 1st corresponds to the lowest rate in California